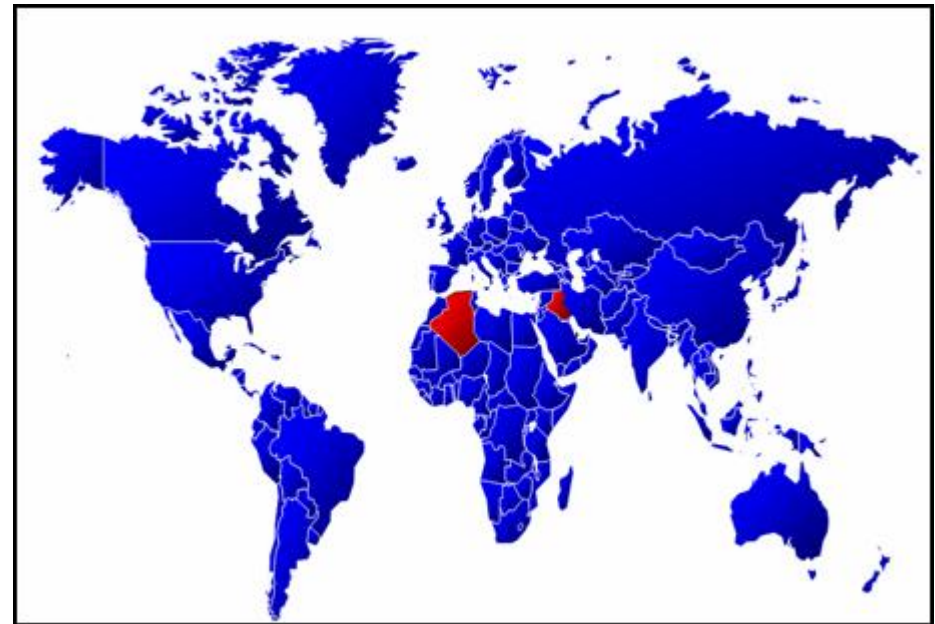


Gulf Keystone Petroleum Investor Presentation: Entry into Kurdistan



7th November 2007

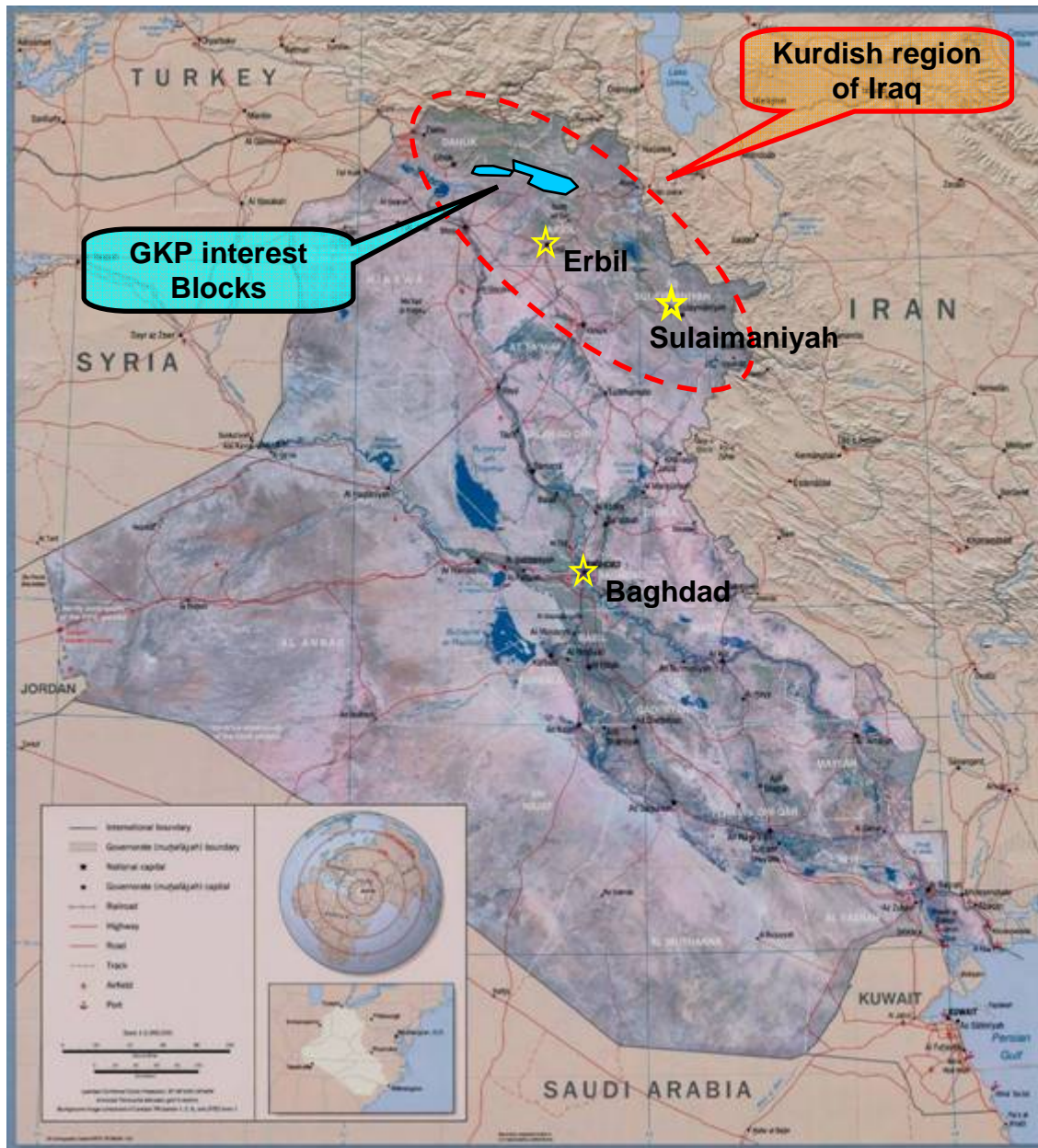
Kurdistan Region of Iraq : Key facts



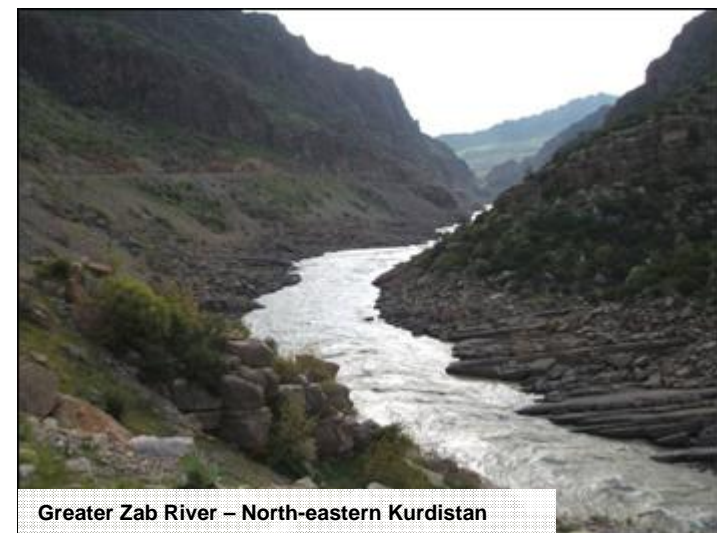
Map Source: Middle East Reference Map U.S. [Central Intelligence Agency](#), 2004

- Kurdistan Region is located in the North eastern part of Iraq
- Approx 400 km x 120 km
- Autonomous since 1992 – having its own constitution, parliament, independent judiciary, military, and secured boundaries
- It has a unified cabinet (KDP and PUK and minor parties) since early 2006
- The only constitutionally recognised Region of Iraq under the 2005 Iraq Constitution
- Draft Federal Revenue sharing law agreed in June 2007: not yet enacted
- Kurdistan Petroleum Law August 2007 – defers to and is compliant with Iraq Constitution permitting PSAs in the Kurdistan Region

Kurdistan : Geography



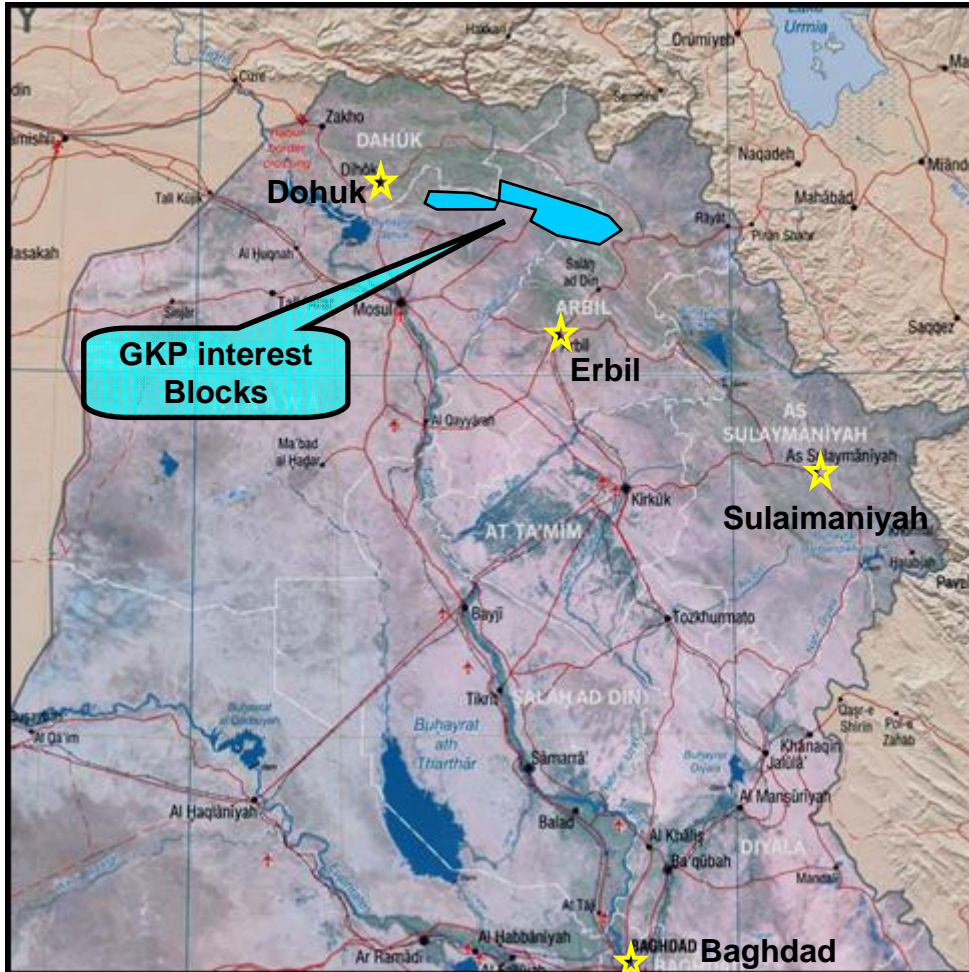
- South-western part of Kurdistan is flat – the northern and eastern area is progressively more mountainous
- GKP interest blocks are in the low lying foothills – easily accessible
- Very hot in the summer / south – snow in the hills in winter
- Language is Kurdish / Arabic / English
- Abundant water - Tigris and its tributaries



Greater Zab River – North-eastern Kurdistan

Map Source: Iraq: Country Profile, 2003. The outline of the Kurdish region of Iraq is meant to be indicative

Kurdistan : A Unique Investment Opportunity

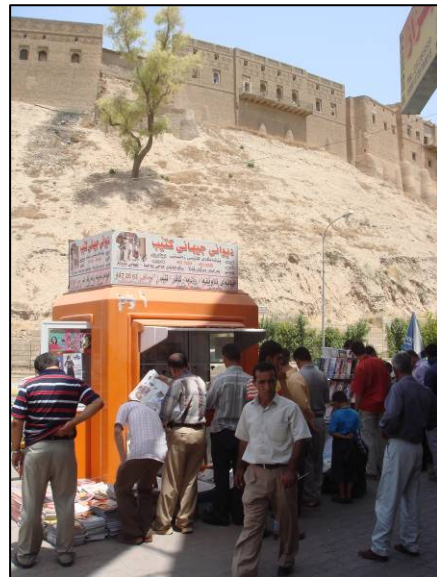


- Increasingly prosperous population: estimated at about 5 million
- Stable security situation compared to other regions of Iraq
- Liberal and open door investment law
- Regulated Banking & Finance sector
- Two new international airports
- Local mobile networks and high speed internet connection
- Two 4/5 star hotels and more being built
- A number of modern housing developments and schools under construction
- 5 Universities and returning Diaspora
- Cross industry investment opportunities

Kurdistan : Under-developed region. In need of investment



Erbil City views



Kurdistan : Development is in progress



Khanzad Hotel : Erbil



New Erbil International Airport

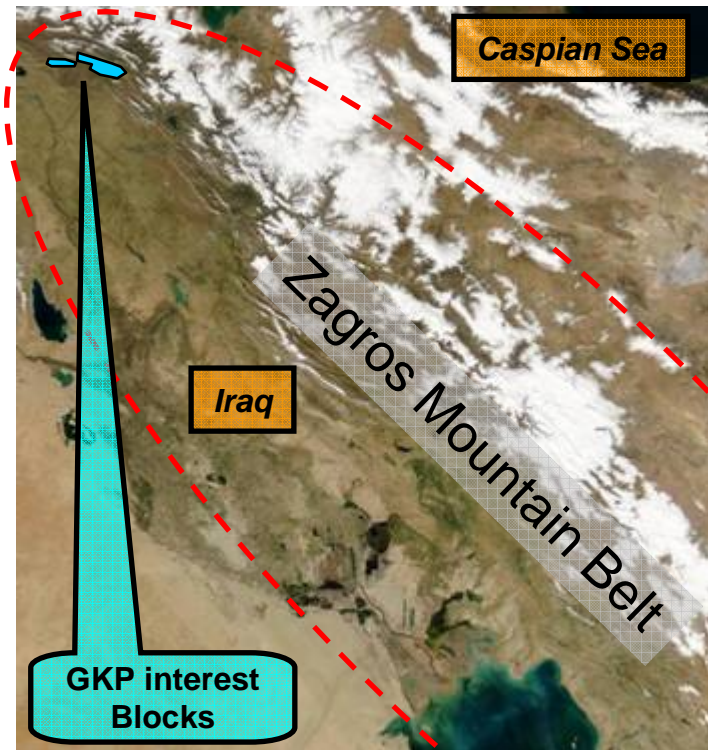


New Housing under construction : Erbil



GKP office : Erbil

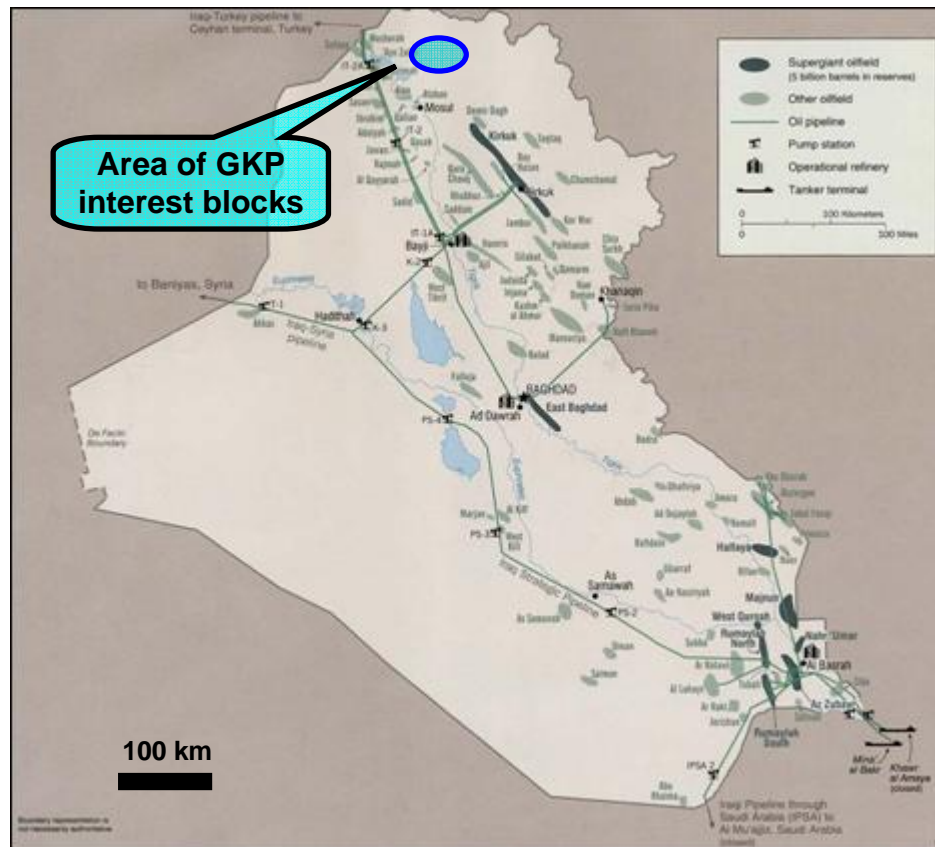
Why Kurdistan / Iraq : Geological perspective



- Almost unique combination of geologic factors
- Zagros Mountain Belt - 1800 km long. Extending from Iran through Iraq to south-east Turkey
- Many relatively 'simple' structures that contain oil & gas
- Multiple source rocks exist for the generation of oil
- Multiple reservoirs some of which are highly productive
- The entire Zagros Mountain Belt could possibly contain over 200 billion barrels of oil reserves
- **Gulf Keystone now has two licenses in this region**



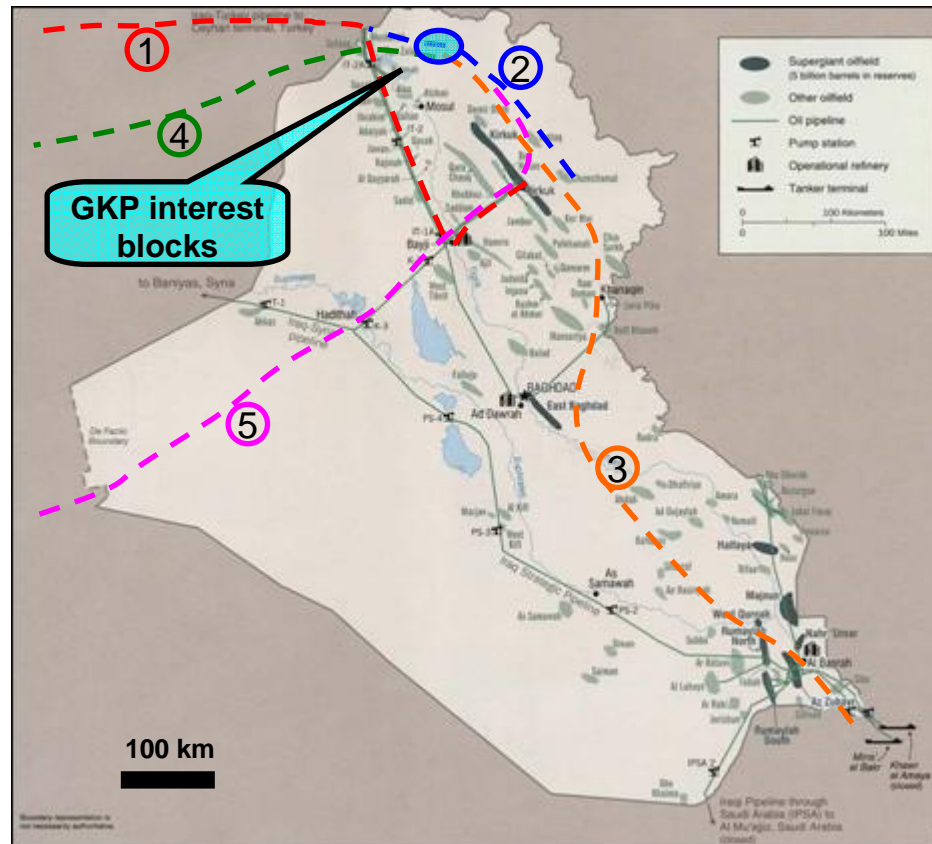
Why Kurdistan / Iraq?



- World's 2nd largest conventional oil reserves
- Significant discontinuity – sanctions, wars
- Limited oil & gas activity in last 30 years
- Many un-drilled surface structures
- Over 80 fields discovered in Iraq only around 15 put on long term production
- In the Kurdish Region of Iraq there have been less than 20 wells drilled (until the recent entry of DNO / Addax)
- Multiple surface structures are evident from mapping in the Kurdistan Region of Iraq

Perhaps the last significant, accessible, onshore hydrocarbon province in the world that's yet to be properly explored

Export routes from Kurdistan

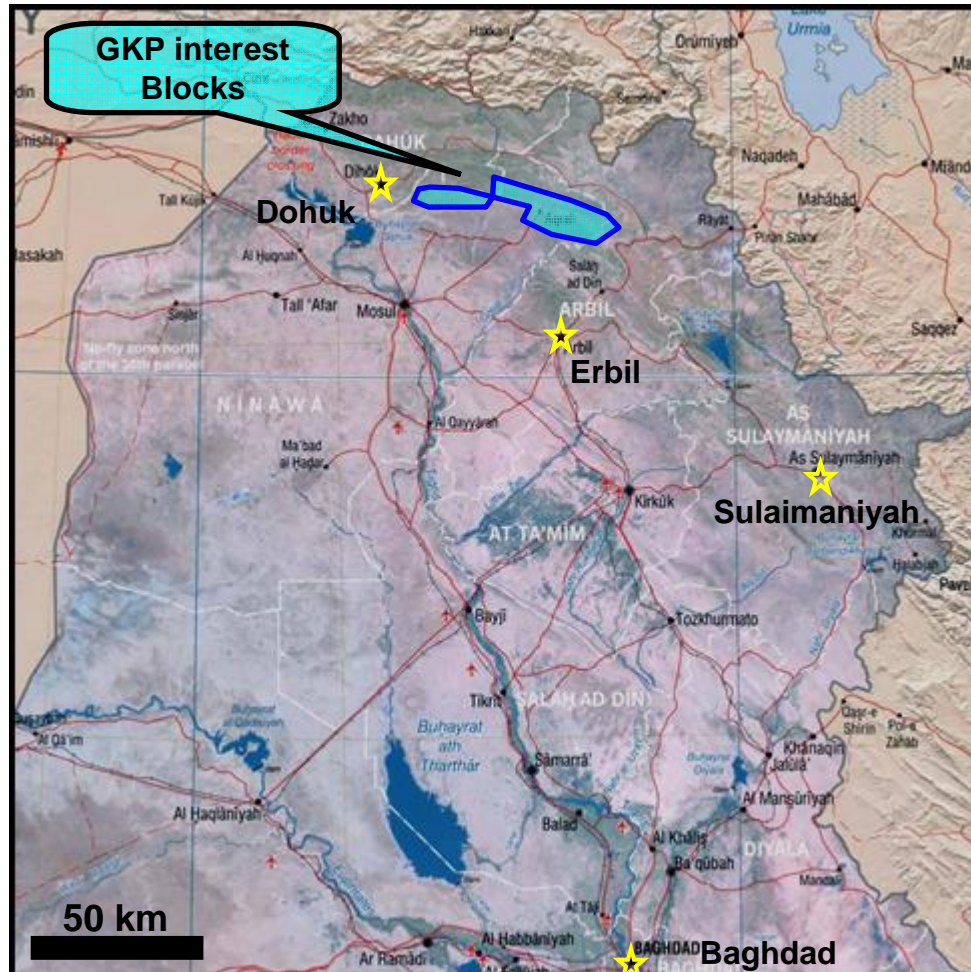


Possible export routes

1. Via existing main Kirkuk line through Turkey (-----)?
2. New line through / from Kurdistan via Turkey (-----)?
3. To the south via the Persian Gulf (-----)?
4. Via Syria (-----)?
5. Via Jordan (-----)?
6. Local market – growing but limited

A number of different export routes exist to get oil from Iraq to international markets

Kurdistan : Location of assets

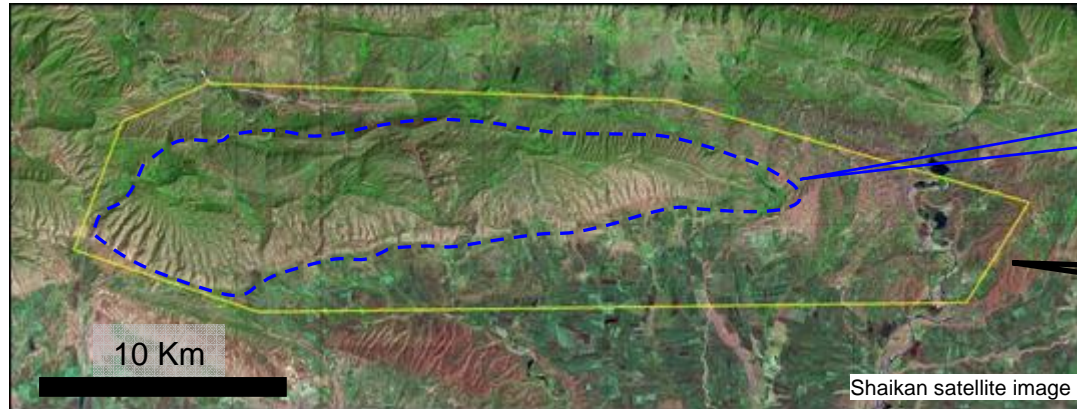


- GKP have signed one block as operator and entered as a partner into a second block with MOL – the two blocks are adjacent
- GKP interest blocks are c. 90 km NW of Erbil and c. 50-80 km from the Turkish border
- Erbil is 320 km NNW of Baghdad



GKP geologists in the field : Shaikan area

Shaikan : Significant work undertaken pre-award of PSCs



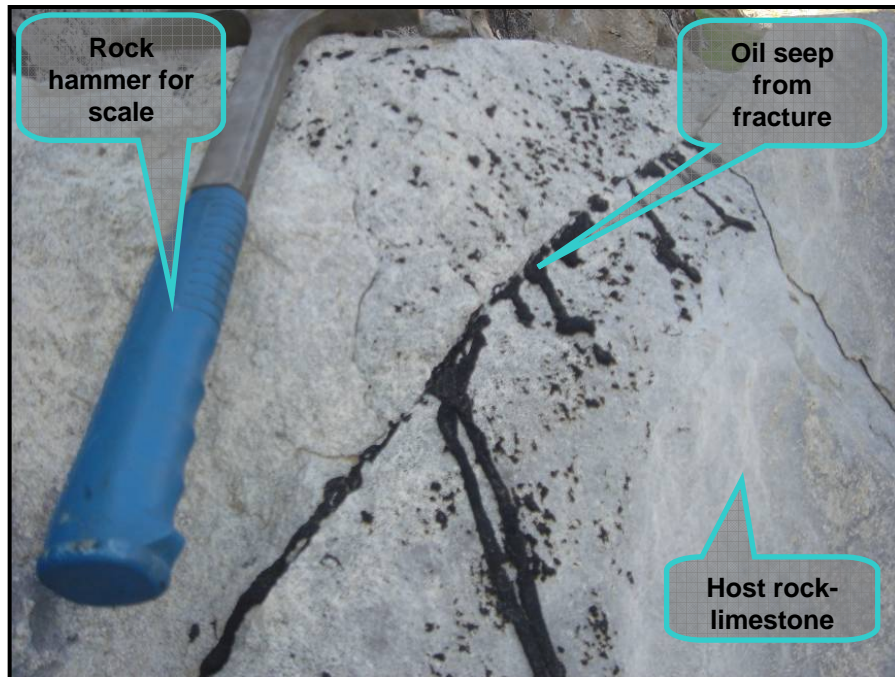
Surface outline of
the Shaikan
structure

Outline of the
Shaikan Block /
License

- Established & registered local GKP office in Erbil
- Field visits to Shaikan & Akri-Bijeel region
- Purchase of detailed geological maps
- Oil seep analysis & geochemistry
- Purchase of satellite image data
- Geological field traverses using local geologists
- 2D seismic planning underway



Shaikan : Active Oil Seep on the structure



Active oil seep (oil is black) on the Shaikan structure seeping from fractures and pores in the host rock (white)

- Oil seepage within surface limestone beds
- Seasonal flows / oozes when temperature allows
- Oil seeps both from fractures and vugs in the host rock
- Freshly broken samples of the host rock are saturated with oil and even burn when lit.
- Presence of oil at the surface helps to de-risk the prospect with respect to hydrocarbon charge and access
- Geochemical analysis of samples indicates that the oil has been sourced from a deeper regional source rock

Shaikhan : Initial fieldwork undertaken



Phase 1 Fieldwork

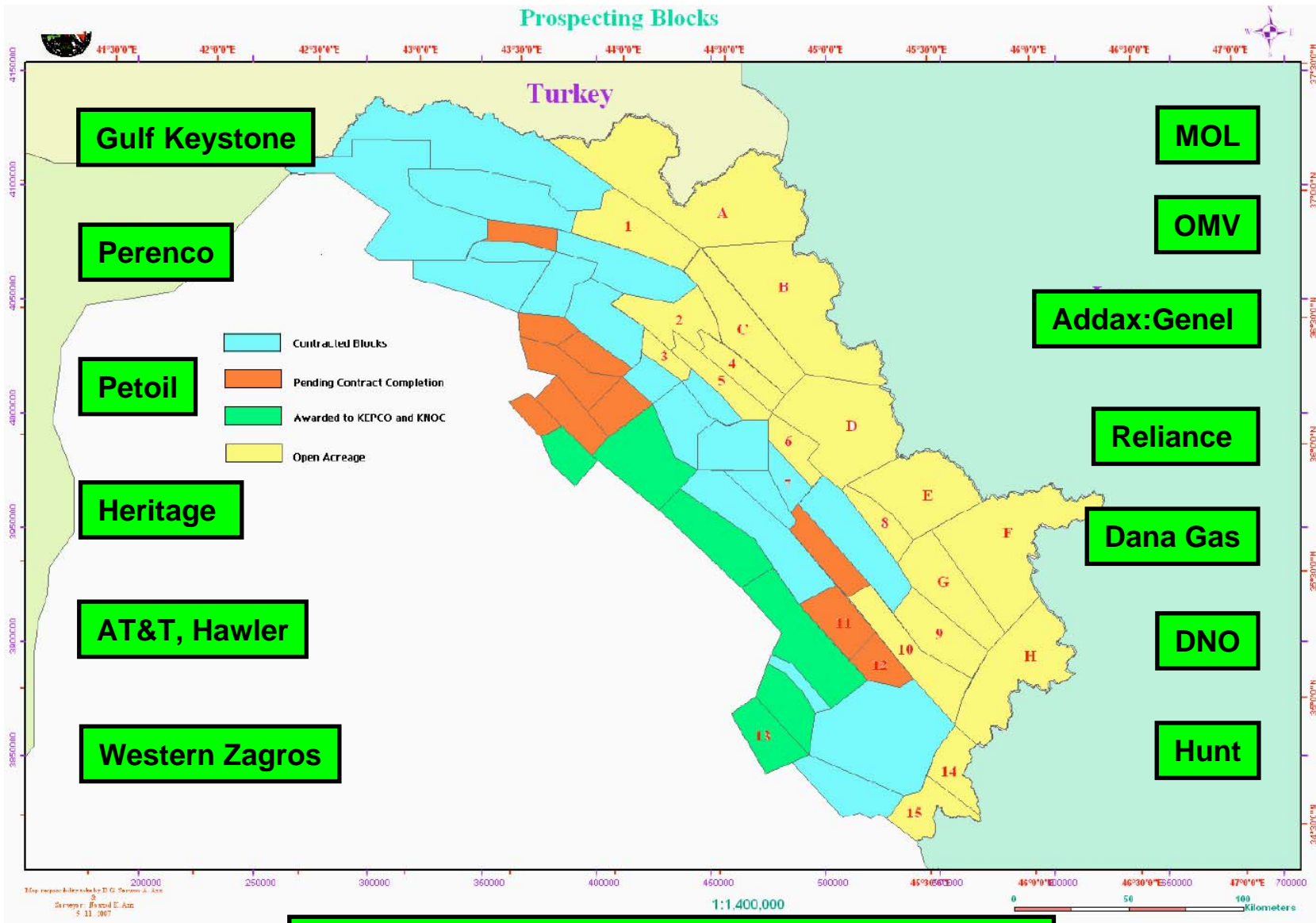
- Logging of road cut section by geologists from the local Saladin University
- Composite Log detailing the stratigraphy, lithology, environment of deposition (with thin section from key horizons)

Phase 2 Fieldwork

- Geological traverses over Shaikhan planned for Q1 2008 utilising high resolution 'Quick Bird' satellite images and 1:100,000 Geological Maps

GKPs initial fieldwork has improved our understanding of the technical aspects of the block / structure

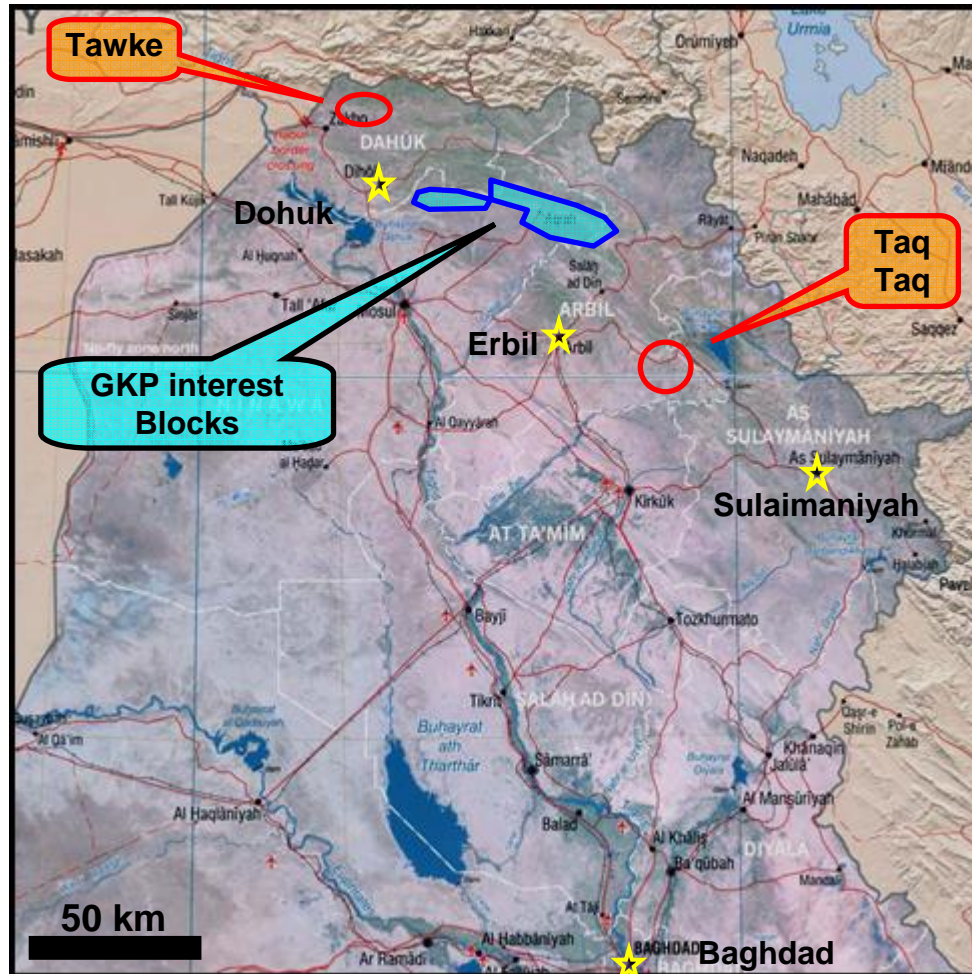
Block map formally announced by KRG 6th November 2007



Companies that have signed contracts in Kurdistan

Specific block locations / awards are not implied

Recent exploration & appraisal activity in Kurdistan



 Approx location of other companies assets (not to scale)

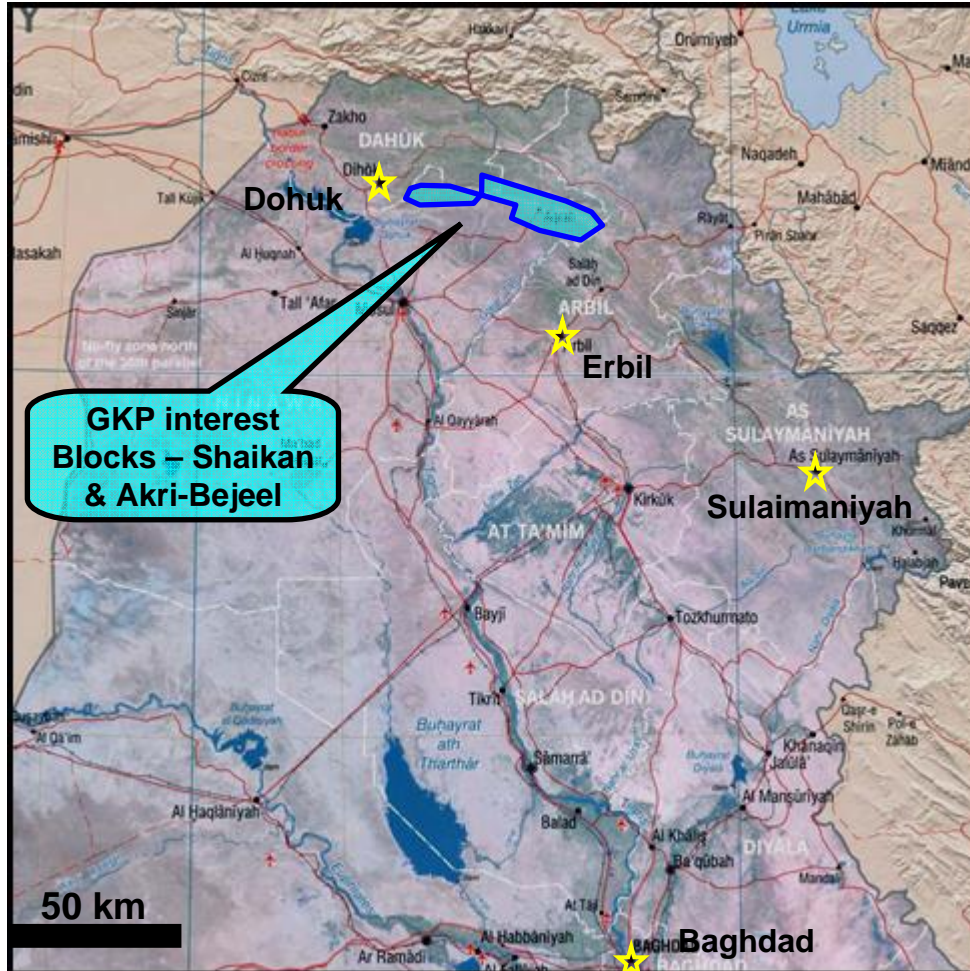
DNO & Addax have been successful & are enjoying the benefits of 1st mover advantage

Tawke Field

- PSA signed 2004
- Operating in Northern Kurdistan for 3 years
- Acquired 2D & 3D seismic
- Newly discovered Tawke field, number of different reservoirs, 8 wells drilled to date
- Tawke-8 well aggregate test rate of 20,500 bopd
- 42 km 12" pipeline to Turkey completed
- Central Processing facility completed
- Commenced early production and field development

Taq Taq Field

- New activity started in late 2005
- Acquired 2D & 3D seismic
- Drilled 6/7 wells, at least 3 different reservoir zones
- Aggregate flow rates from the Taq Taq-4 & Taq Taq-7 wells were 29,700 & 37,760 bopd respectively



Shaikan Block

Gulf Keystone (Operator - 75%)

MOL (Kalegran) (20%)

Texas Keystone (5%)

Anticipated work program

100 km 2D seismic

1 exploration well

3 year exploration phase

25 year PSC duration

Akri-Bejeel Block

MOL (Kalegran) – (Operator - 80%)

Gulf Keystone (20%)

Anticipated work program

200 km 2D seismic

1 exploration well

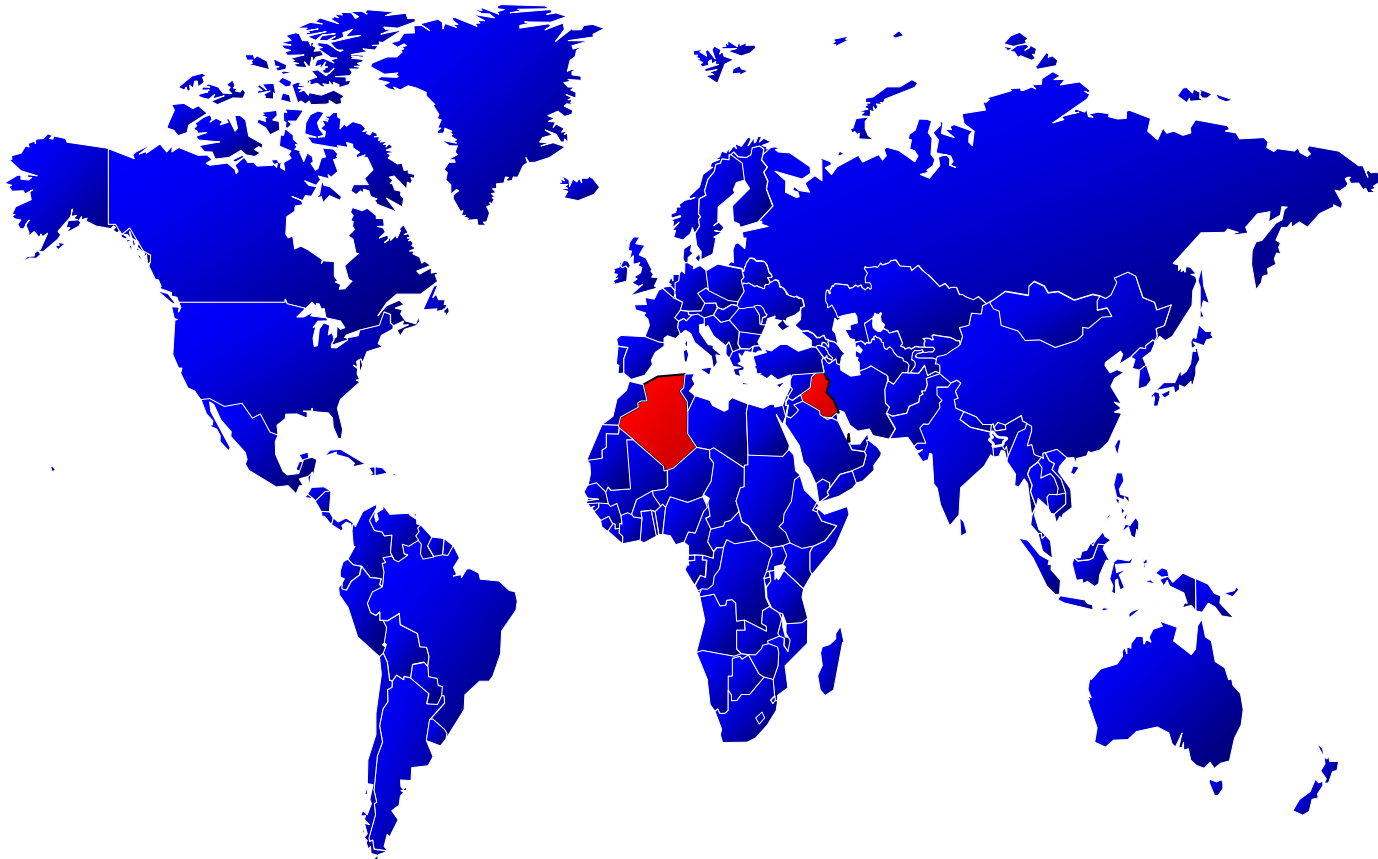
3 year exploration phase

25 year PSC duration

Gulf Keystone’s expected total expenditure for these two blocks over the next three years, given its current interests, is approximately US\$53 million, the majority of which is expected to be incurred over the next six months. This estimate includes GKP’s share of general and administration costs, seismic acquisition and processing, drilling costs and initial signature bonuses.

GKP has secured interests in 2 blocks both of which have visible surface structures

Gulf Keystones 1st international venture outside Algeria



Kurdistan is a good place to invest, an emerging economy
It is a world class hydrocarbon province
GKP have captured interests in two licenses in Kurdistan